

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

NORTHERN ALASKA
ENVIRONMENTAL CENTER,
et al.,

Plaintiffs,

v.

DAVID BERNHARDT, et al,

Defendants.

Case No. 3:20-cv-00187-SLG

**DECLARATION OF RAMZI FAWAZ IN SUPPORT OF
AMBLER METALS' MOTION TO INTERVENE**

1. I, Ramzi Fawaz, am President and CEO of Ambler Metals LLC. I was appointed as the President and Chief Executive Officer of Ambler Metals on September 1, 2020. Before that I spent several decades doing international project development.
2. I received my Bachelor of Science in electrical engineering at the American University of Beirut in Lebanon and a Master's degree in power engineering at the University of California, Berkeley.

Ambler Metals

3. Ambler Metals LLC was formed in December 2019. As of February 2020, it became a joint venture operating company owned equally by South32 Limited and Trilogy Metals Inc. It owns, or has access to, mining claims located in the Ambler Mining District that contain mineralized belts with at least two known sizable mineral deposits, the Arctic deposit and the Bornite deposit.
4. South32 is a globally diversified mining and metals company. Trilogy Metals is a metals exploration company focused on exploring and developing the Ambler Mining District of the Northwest Arctic Borough in Alaska.
5. Ambler Metals' exploration efforts have been focused on the Arctic and Bornite deposits. The Arctic deposit is a sulfide deposit that lies approximately 292 miles northwest of the City of Fairbanks, Alaska. The Bornite deposit is a carbonate

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hosted copper deposit located approximately 16 miles southwest of the Company's Arctic project. Both deposits are located within the Company's land package, which spans more than 170,000 hectares. Both sites boast high-grade copper deposits with significant exploration potential. The District also contains zinc, lead, gold, silver, and carbonate replacement deposits that also host cobalt mineralization.

6. Copper is a critical metal in that it is used in numerous applications such as building construction, power generation and transmission, electronic product manufacturing, and the production of industrial machinery and transportation vehicles. With climate change presenting an increasing threat to the planet, copper will be critical in the transformation of the global economy from a carbon-based energy system to a clean renewable system.
7. The Company has entered into an agreement with NANA Regional Corporation, Inc., a corporation organized pursuant to the provisions of the Alaska Native Claims Settlement Act, 43 U.S.C. § 1601 et seq. and the laws of the State of Alaska, allowing for the potential use of NANA lands in the area for roads and other purposes.
8. Based on a recent feasibility study of the Arctic deposit completed by Trilogy Metals, the average annual payable production from that deposit will be more than 155 million pounds of copper, 192 million pounds of zinc, 32 million pounds of lead, 32,165 ounces of gold and 3.4 million ounces of silver. Over the total life of the mine, production is projected at 1.9 billion pounds of copper, 2.3 billion pounds of zinc, 388 million pounds of lead, 386 thousand ounces of gold and 40.6 million ounces of silver.
9. According to the same Trilogy feasibility study, Ambler Metals projects employing approximately 650 people during the construction phase for the Arctic Deposit, and approximately 450 people once mining operations begin. Ambler Metals currently has a full-time staff of 20 employees and hires 75 employees on a seasonal basis.
10. Ambler Metals' vision is to develop the Ambler mining district into a premier North American copper producer with its initial focus on the Arctic Deposit.

Development History of the Upper Kobuk Mineral Projects

11. The original owner of the claims—Kennecott Copper Company—drilled the property in the 1960s, 70s and a little in the 80s and 90s. Exploration drilling ceased by the mid-80s when land ownership and access were put into question as a result of the passage of the Alaska National Interest Lands Conservation Act. The land ownership and access issues were resolved by the late 90s and Trilogy began

work on the Arctic and Bornite deposits starting in 2004. Trilogy spent \$30.6 million to acquire the mineral title.

12. Trilogy has continued to invest substantially in the District. In addition to the money required to obtain mineral title (tenements), it spent \$84.3 million on exploration, feasibility studies, environmental studies, and other expenses.
13. On April 10, 2017, Trilogy announced it had entered into an agreement with South32, under which Trilogy granted South32 an option to form a 50/50 joint venture with respect to Trilogy's Alaskan assets. South32 was entitled to exercise its option at any time to form the 50/50 joint venture.
14. Beginning in June 2017, as part of the option agreement, South32 made a payment each year to Trilogy, which was used to fund drilling and exploration. It provided this funding for three years (drilling seasons) in a row, for a total of \$31 million.
15. In February 2020, to complete the joint venture between Trilogy and South32, Trilogy contributed all of its assets associated with the Upper Kobuk Mineral Projects, including the Arctic and Bornite projects and its option agreement with NANA. South32 contributed a Subscription Price of US \$145 million. The funds will be used to advance the Arctic and Bornite projects, along with exploration in the Ambler mining district.
16. Considered together, Trilogy, South32 and Ambler Metals have invested \$290.9 million in the venture.
17. On June 24, 2020, the Board of Directors of the Alaska Industrial Development and Export Authority ("AIDEA") approved a memorandum of understanding with Ambler Metals which specifies how the parties will jointly establish a plan regarding the permitting, feasibility, engineering and design, construction and operation, financing and closure of Ambler Road. Ambler and AIDEA have each committed to contributing up to \$35 million each for these activities.
18. In June 2020, AIDEA authorized spending up to \$500,000 from the funds currently in the Arctic Infrastructure Development Fund for 2020 predevelopment work on the Ambler Road Project. These funds will be matched by another \$500,000 by Ambler Metals and will be used to further advance the project.

Ambler Has a Significant Interest in this Litigation

19. I am familiar with the July 23, 2020 Record of Decision, signed by the Bureau of Land Management and the U.S. Army Corps of Engineers, that Plaintiffs challenge in this case.

20. That Record of Decision approved the development of a 211-mile-long gravel private access road (Ambler Road) in the southern Brooks Range foothills to provide industrial access to the Ambler Mining District. The gravel road, which will not generally be open to the public, will be built in three stages and will be reclaimed after the expiration of the right of way in 50 years.
21. At this time, there is no developed surface access connecting the Arctic Project with the Dalton Highway. By connecting the District to Dalton Highway, the road would support exploration and mining activities by Ambler Metals and other mining companies. Ambler Metals will not undertake construction of mines unless the road is authorized and funded.
22. I have also reviewed the complaint filed by the plaintiffs in this case. The plaintiffs have alleged that any development of Ambler Metals' mining project is a connected action to Ambler Road and must be analyzed in the environmental impact statement prepared for the Ambler Road.
23. The issues of when and how Ambler Metals' mining project should be analyzed and permitted involve considerations unique to Ambler Metals—no party in the litigation has the same interest in these issues or information relevant to them.
24. Permitting for Ambler Road is a significant milestone for Ambler Metals, which will unlock the world class economic potential of the region by allowing greater access to the district and the potential development of the Arctic project.

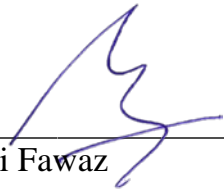
**Ambler's Interests Could be Harmed by the Relief Plaintiffs
Seek in this Litigation**

25. Any delay in the permitting and construction of Ambler Road could delay expected future cash flows to Ambler Metals, which has worked diligently—and invested significantly—to explore the deposits and to determine their feasibility.
26. Any such delay would also delay any future cash flows to NANA that would result from the exercise of Ambler Metals' option. Ambler Metals will only exercise its option with NANA once it has decided to invest in one of the (Arctic or Bornite) projects, and that decision would be delayed if the Ambler Road permitting is delayed.
27. Any delay in the permitting and construction of Ambler Road would defer the time when the company might see any return on the significant investment it has made in the area over the last 16 years.
28. Because the federal agencies that have been sued have broader interests than Ambler Metals' interests in the litigation—and have no interest in the potential

future permitting of Ambler Metals' mining project—I do not believe the Company's interests will be adequately represented by the federal government in this litigation.

I declare under penalty of perjury of the laws of the United States of America that the foregoing is true and correct.

Executed this 13 day of November 2020.



Ramzi Fawaz